



18th October 2021

Ramelius Makes Recommended Takeover Offer for Apollo Consolidated

Highlights

- Ramelius to acquire Apollo Consolidated Limited (**Apollo**), 100% owner of the Lake Rebecca Gold Project (**Lake Rebecca**) in Western Australia, via a recommended off-market takeover offer (**Offer**)
- Located in Australia's premier gold province and with a current total Mineral Resource estimate of 29.1 Mt @ 1.2 g/t for 1.1 million ounces¹, Lake Rebecca provides a highly attractive platform for the potential future development of a new production centre for Ramelius
- Ramelius has the financial capacity, operational experience and exploration expertise to continue expanding the existing Mineral Resource and to develop Lake Rebecca, in order to maximise the value of the asset for both sets of shareholders
- Apollo shareholders to receive an implied Offer price of \$0.56² per share (**Offer Price**), comprising \$0.34 in cash and 0.1375 Ramelius shares per Apollo share. This Offer Price represents premiums of:
 - 27.0% to Apollo's 3 day VWAP of \$0.441;
 - 35.9% to Apollo's 10 day VWAP of \$0.412;
 - 38.3% to Apollo's 1 month VWAP of \$0.405; and
 - 52.2% to Apollo's 3 month VWAP of \$0.368.
- The Offer Price implies an enterprise value for Apollo of \$128 million³, a 37.0% premium to the enterprise value implied by Apollo's 3 day VWAP of \$94 million⁴
- Apollo's Directors unanimously recommend Apollo shareholders accept the Offer, in the absence of a superior offer
- Apollo Directors and management have entered binding agreements to accept the Offer for all the shares they own or control (representing 13.7% of Apollo's issued shares) within 7 days of the Offer opening, in the absence of a superior offer
- The Offer is subject to a 90% minimum acceptance by Apollo shareholders
- Ramelius and Apollo will host a joint investor call at 8:00am AWST / 10:00am AEST/ 11:00am AEDT on Monday 18th October 2021. To listen in live, please click on the link below and register your details: <https://s1.c-conf.com/diamondpass/10017445-mdq0ce.html>

¹ Refer to Apollo's ASX announcement dated 20 April 2021

² Based on the Ramelius 3 day VWAP up to and including 15 October 2021 of \$1.60.

³ Calculated as the basic equity value of Apollo implied by the Offer Price of \$163.3 million, less Apollo's cash position at 31 August 2021 of \$34.9 million.

⁴ Calculated as the basic equity value of Apollo implied by the 3 day VWAP of \$0.441 up to and including 14 October 2021 (Apollo's last trading day), less Apollo's cash position at 31 August 2021 of \$34.9 million.

For personal use only

Transaction Overview

Ramelius Resources Limited (ASX:RMS) (**Ramelius**) and Apollo Consolidated Limited (ASX:AOP) (**Apollo**) are pleased to announce that they have entered into a Bid Implementation Agreement (**BIA**), pursuant to which Ramelius will offer to acquire all the issued ordinary shares of Apollo by way of an off-market takeover offer (the **Offer**).

Under the terms of the Offer, Apollo Shareholders will receive cash consideration of \$0.34 and 0.1375 Ramelius shares for each Apollo share held (**Offer Consideration**). The Offer Consideration values each Apollo share at \$0.56 (**Offer Price**), based on the 3 day volume weighted average price (**VWAP**) of Ramelius shares up to and including 15 October 2021 of \$1.60, and implies a total equity value for Apollo of approximately \$163 million.

The premiums represented by the Offer Price against Apollo's 3 day and other historical VWAPs⁵ are shown in Figure 1 below.

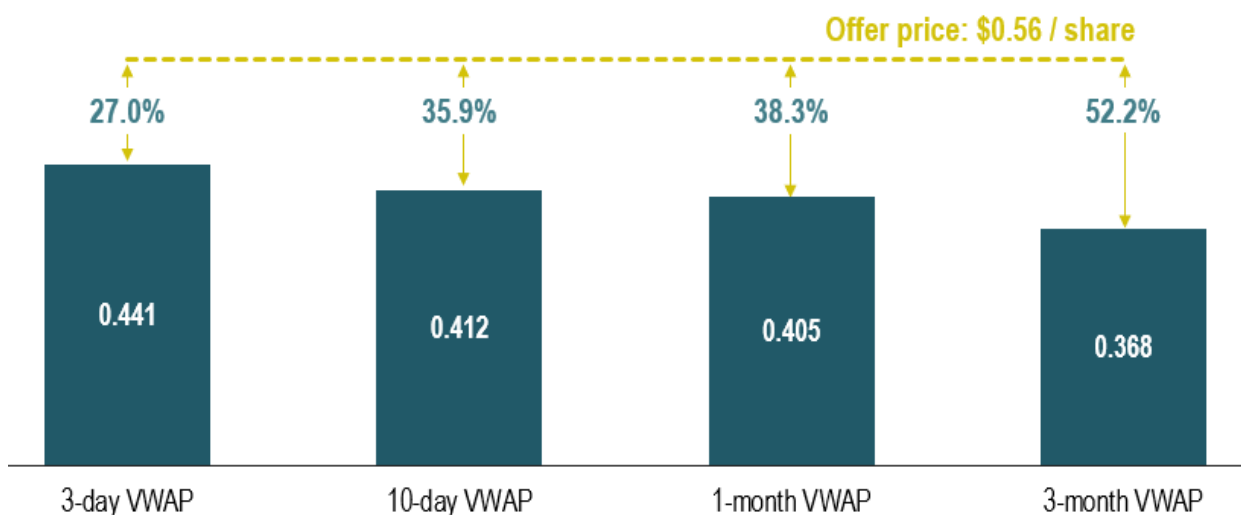


Figure 1: Offer Premiums for Apollo Shareholders

The Offer Price implies an enterprise value for Apollo of \$128 million⁴, a 37.0% premium to the enterprise value implied by Apollo's 3 day VWAP of \$94 million⁴.

The cash component of the Offer Consideration, representing a total of \$99 million, will be funded from Ramelius' existing cash reserves of \$234 million (including gold bullion) as at 30 June 2021.

Apollo Board Recommendations

The Apollo Board of Directors unanimously recommend that Apollo shareholders accept the Offer, in the absence of a superior offer.

Apollo's Directors and management have entered into binding agreements to accept the Offer in respect of all Apollo shares they own or control (representing 13.7% of Apollo's issued shares) within 7 days of the Offer opening, in the absence of a superior offer.

⁵ VWAPs shown up to and including 14 October 2021 (Apollo's last trading day).

Key Benefits for Apollo Shareholders

The benefits of the Offer to Apollo Shareholders include:

1. Highly attractive premiums

- The Offer Price represents an attractive and substantial premium to recent trading in Apollo shares, as set out above
- The Offer Price also implies an enterprise value for Apollo that is at a significant premium to the enterprise value implied by market trading in Apollo shares, also as set out above

2. Certain cash consideration and optionality in relation to scrip consideration

- The Offer Consideration includes a material cash component of \$0.34 per Apollo share, providing Apollo shareholders with the certainty of cash for over 60% of the total Offer Price
- In relation to the scrip component of the Offer Consideration, Ramelius encourages Apollo shareholders to retain Ramelius shares they receive. However, should Apollo shareholders wish to sell their Ramelius shares, they are significantly more liquid than Apollo shares, providing enhanced investment flexibility in relation to this decision

3. Significant reduction in development risk

- As shareholders in a single asset company, Apollo shareholders are currently subject to significant uncertainty and risks arising from the potential development of the Lake Rebecca Project (**Lake Rebecca** or the **Project**)
- Risks currently faced by Apollo shareholders include labour shortages and inflationary pressures being experienced in the WA labour market, and the associated challenges of establishing a team with the required skills and experience to develop Lake Rebecca into an operating mine
- In contrast, Ramelius has two existing operations in WA and an established workforce with strong operational and development experience, putting Ramelius in a relatively stronger position to develop the Project and maximise its value for the benefit of shareholders
- Accepting the Offer will allow Apollo shareholders to significantly reduce their exposure to the risks associated with potential development of the Project

4. Avoidance of potential future equity dilution

- Given the Project's current early stage of development, any decision by Apollo to fund the development of the Project is likely to lead to future equity dilution of Apollo's existing shareholders
- In contrast, Ramelius is in a strong financial position and, with two existing cash generating operations, has additional borrowing capacity to provide alternative funding sources to develop Lake Rebecca without dilution of shareholders
- Accepting the Offer will allow Apollo shareholders to avoid the likelihood of equity dilution associated with a future development decision on the Project

5. Opportunity to become a shareholder in Ramelius

- Apollo shareholders who decide to retain Ramelius shares forming part of the Offer Consideration will become shareholders in a financially strong, dividend paying, ASX200 gold producer with two existing operations in WA, a proven management team and a track record of growth and shareholder returns
- The addition of a high-quality development asset such as Lake Rebecca is consistent with Ramelius' growth strategy and highly complementary to Ramelius' existing portfolio of operational assets

6. Rollover relief in relation to scrip component of Offer Consideration

- Provided Ramelius acquires at least 80% of Apollo's ordinary shares under the Offer, capital gains tax rollover relief will be available to Apollo shareholders on the portion of the Offer Consideration paid in Ramelius shares.

Further detail regarding the benefits of the Offer will be provided in Ramelius' *Bidder's Statement*.

Lake Rebecca Gold Project Overview

Apollo's primary asset is the 100% owned Lake Rebecca Project in Western Australia, located approximately 145km east of Kalgoorlie. Apollo holds approximately 160km² of granted tenure within a greenstone belt on the eastern margin of the Norseman-Wiluna Greenstone Belt. This belt lies at the southern end of the Laverton Tectonic Zone, a regionally important structural corridor that hosts multiple major gold camps.

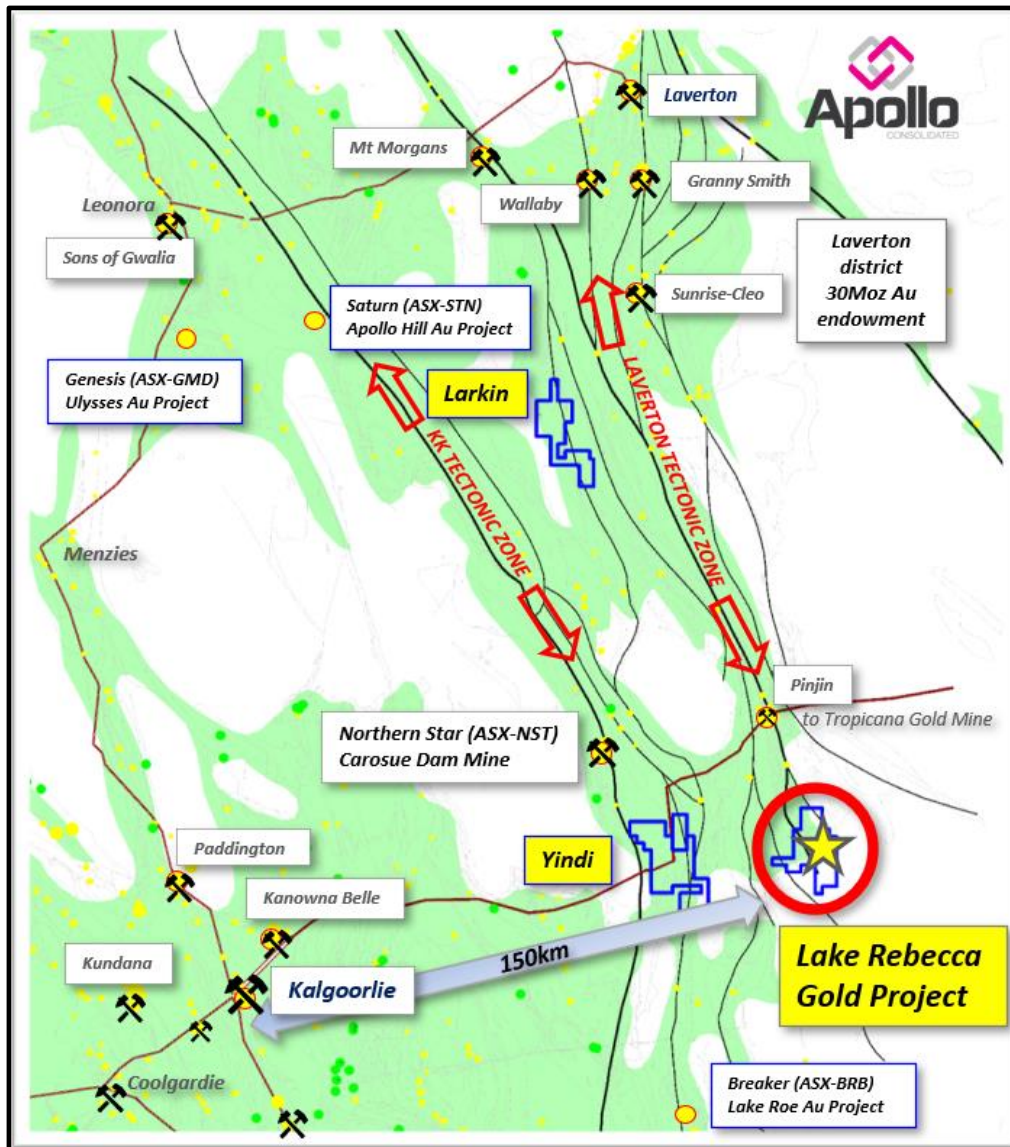


Figure 2: Location of Lake Rebecca relative to Kalgoorlie

Lake Rebecca has developed into an exciting discovery, with three main deposits currently defined, Rebecca, Duke and Duchess. Rebecca hosts the high-grade Jennifer Lode and adjoining mineralised surface.

In April 2021, Apollo announced an updated JORC Mineral Resource Estimate (MRE) for the Project of 29.1 million tonnes at 1.2g/t for 1.1 million ounces of gold, 74% of which is in an Indicated category. The Lake Rebecca deposit underpins the commercial potential of the Project, with a MRE of 20.4 million tonnes at 1.3g/t for 840,000 ounces. The nearby Duke and Duchess deposits provide a valuable contribution to the Project, adding an additional combined 8.8 million tonnes at 1.0g/t for 265,000 ounces to the global MRE.

Mineral Resource Estimate – Lake Rebecca Project April 2021⁶

Deposit	Indicated			Inferred			Total		
	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
Rebecca	13.6	1.5	640	6.8	0.9	200	20.4	1.3	840
Duchess	4.2	0.9	125	2.7	0.8	75	6.9	0.9	195
Duke	1.5	1.1	55	0.4	1.1	15	1.9	1.1	65
Total	19.2	1.3	815	9.9	0.9	290	29.1	1.2	1,105

Early-stage studies indicate the Rebecca deposit has the potential to be a single, robust open pit. As the long section in Figure 3 below illustrates, the MRE for Rebecca has been reported within an optimised pit shell (using a A\$2,250 gold price). Ounces per vertical metre are high for an open pit and offer tremendous potential to expand the size and increase the geological confidence of the MRE, enhancing the Project's development potential.

In addition, the boundaries of each of the three deposits are only partially defined and offer potential for high-grade plunging positions internal to the mineralised zones, as well as extensions along strike.

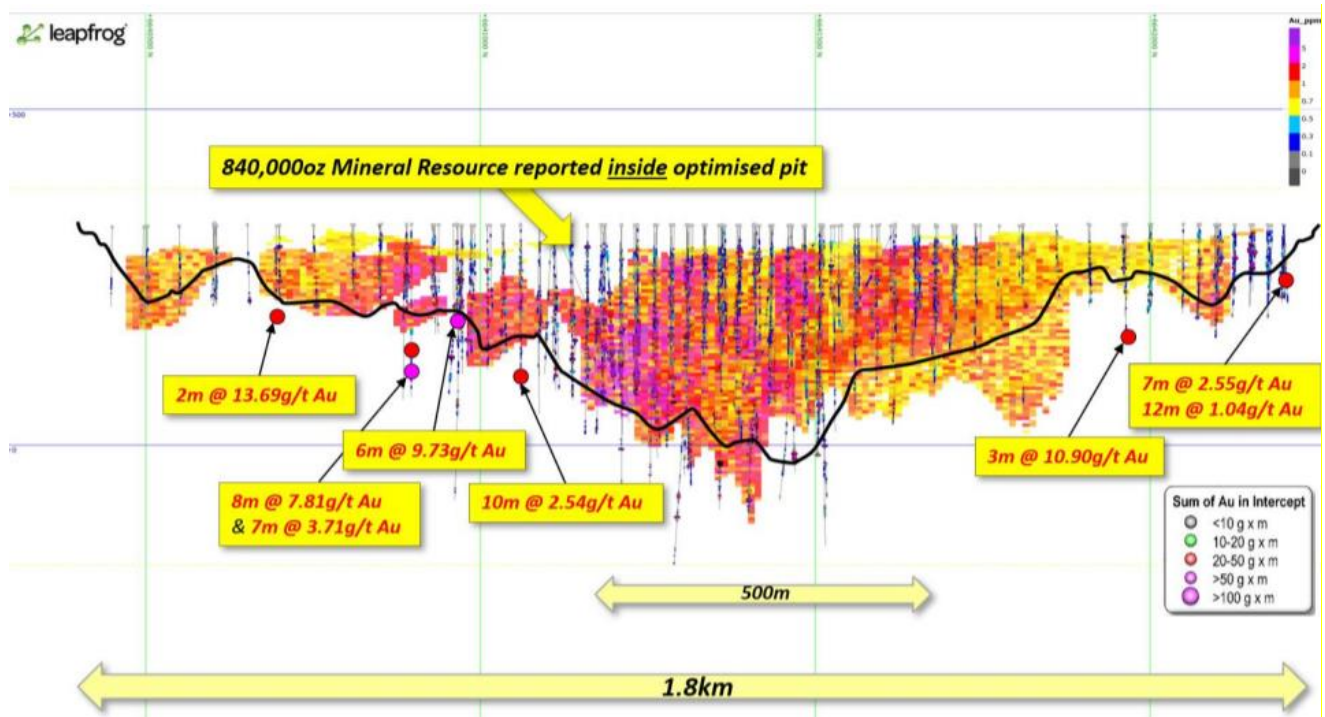


Figure 3: Long Section for Rebecca Deposit

⁶ Refer to Apollo ASX announcement dated 20 April 2021

More broadly, Lake Rebecca remains a relatively under-explored region, with deposits found predominantly beneath regolith cover, making soil sampling techniques historically less effective for targeting. For example, aeromagnetic and lithological interpretation suggests that the 5km strike extent between Rebecca and Duke may be part of a much broader elliptical intrusive complex situated either within, or in close proximity to, the Laverton Tectonic Zone.

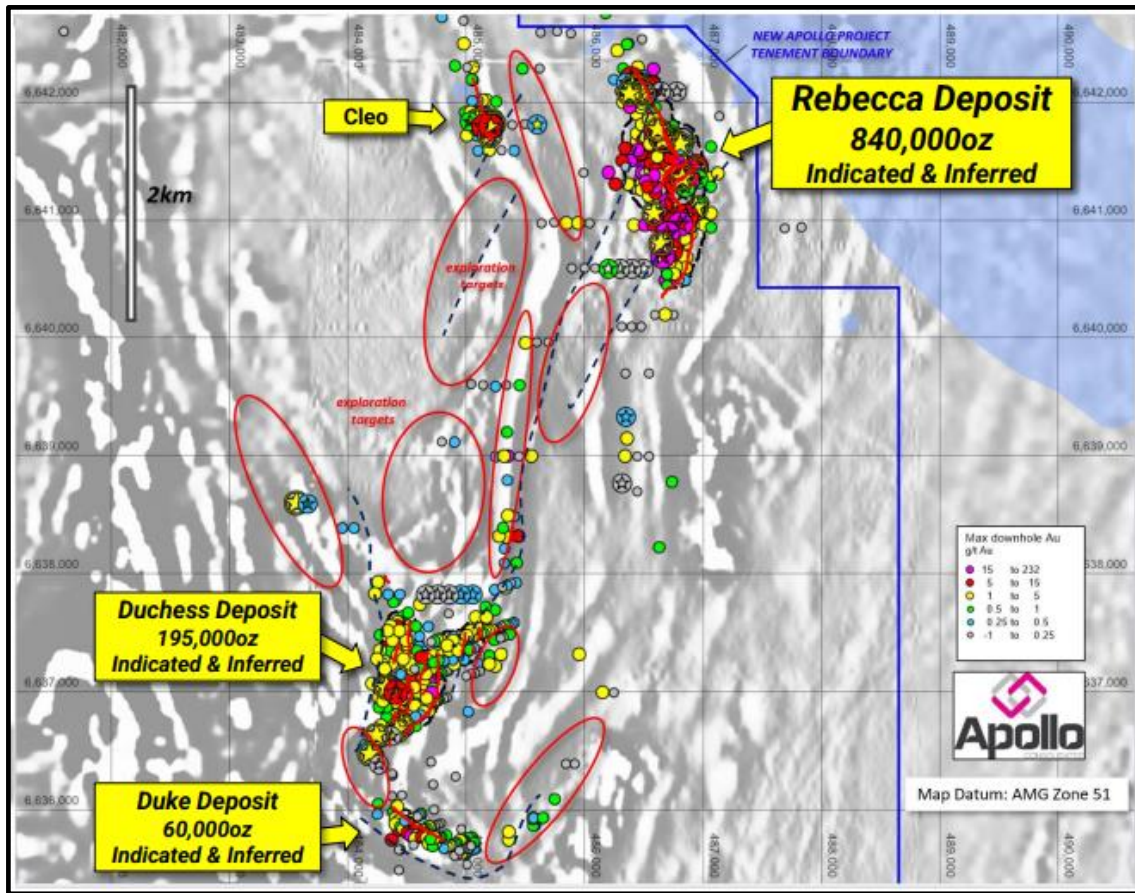


Figure 4: Map of Lake Rebecca Deposits

The recent Cleo discovery is also an exciting new exploration target which sits 1.5km to the west of Rebecca and includes recent drilling intercepts of 38m @ 2.0g/t, 2m @ 9.39g/t and 115m @ 0.51g/t.⁷ Cleo opens a new exploration front in mafic geology distinct from the granite-hosted mineralisation at Rebecca, Duke and Duchess.

Continued improvement of the geological understanding across the area has the potential to uncover new deposits across the Project area, with multiple, highly prospective exploration targets identified for further follow-up.

Having updated the MRE in April 2021, Apollo has now initiated a number of technical studies (including engineering, metallurgical, hydrological and environmental) to inform the appropriate mine planning options and assist with further technical and economic evaluation of the Project. In parallel, Apollo continues to progress additional drilling, with the aim of continuing to expand the current MRE.

⁷ Refer to Apollo announcement dated 31 August 2020 and 9 November 2020

Strategic Rationale of the Offer for Ramelius

Ramelius owns and operates the Mt Magnet, Edna May, Vivien, Marda, Tampia and Penny gold mines, all of which are located in Western Australia. Ore from the high-grade Vivien underground mine, located near Leinster, is hauled to the Mt Magnet processing plant where it is blended with ore from both underground and open pit sources at Mt Magnet. The Penny project is currently under development with first ore in late FY22.



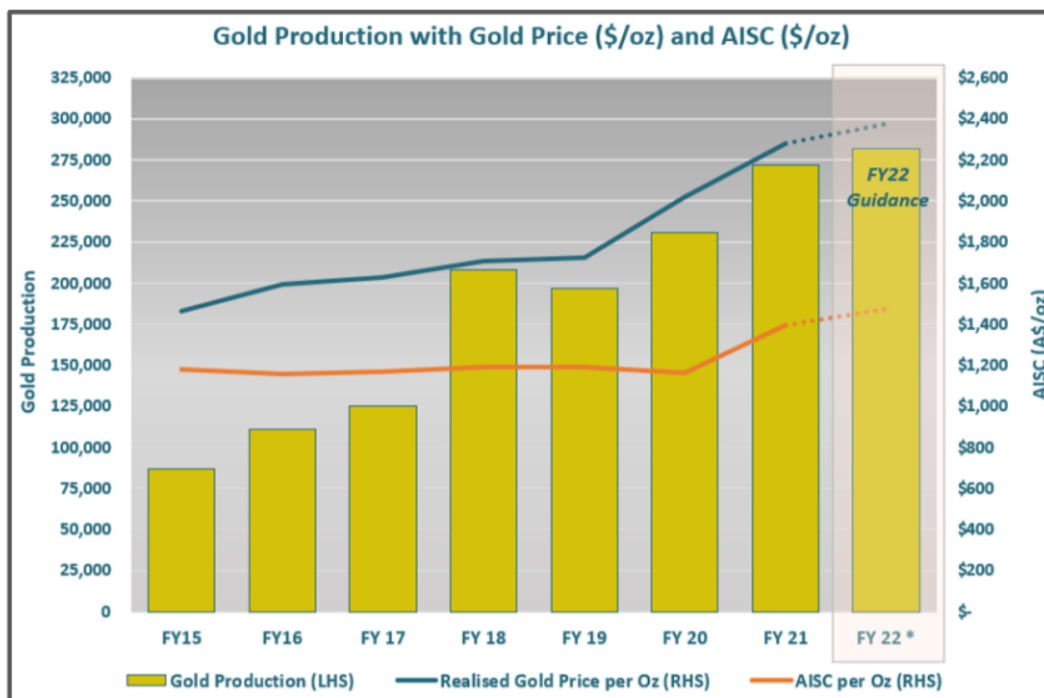
Figure 5: Location of Ramelius' Operations and the Lake Rebecca Gold Project

Ramelius' long-term strategy is to continue to achieve growth and create shareholder value through acquiring assets that are either in production (e.g., Edna May) or have significant potential to become operations in their own right (e.g., Marda, Tampia and Penny). The Offer for Apollo is in line with this strategy.

As illustrated in Figure 6, since 2015, Ramelius has achieved over 20% year on year production growth, to now be in a position where production guidance for FY22 is between 260,000-300,000 ounces.

Ramelius has a strongly cost focused culture, which has enabled it to maintain a relatively consistent AISC profile during these periods of continued production growth, notwithstanding the increasing gold price environment.

Ramelius believes that Lake Rebecca represents a highly attractive opportunity to ultimately develop a greenfields mining operation in one of the world's premier gold mining jurisdictions. The Project's existing 1.1 million ounce Resource provides a strong platform to pursue the commercial development of a mining operation which fits Ramelius' criteria in terms of scale and asset quality. Furthermore, the geological prospectivity across the Lake Rebecca tenement package offers the potential to continue expanding the existing MRE, with a view to both expanding any future operation or significantly extending mine life.



*Includes mid-points of production and AISC guidance and a weighted average gold price from the RMS Hedge Book and as assumed A\$2,450/oz spot price

Figure 6: History of Ramelius Gold Production, Achieved Sales Price and AISC

Should the Offer be successful, Ramelius intends to continue the excellent exploration work undertaken by Apollo to date and embark on a focused drilling program, including infill, extensional and a broader regional exploration. Ramelius would also continue to progress technical studies initiated by Apollo, with the aim of ultimately producing a feasibility study once sufficient drilling has been undertaken to demonstrate the Project’s full potential.

Ramelius Managing Director, Mark Zeptner, said of the Offer: “Lake Rebecca is an outstanding opportunity for Ramelius to add a key growth asset to its portfolio of producing assets at Mount Magnet and Edna May. The Apollo team has done an excellent job advancing Lake Rebecca to its current stage of development and have clearly demonstrated its potential for development into a high-quality gold mine in a tier-one gold mining jurisdiction.

“Subject to the Offer being successful, Ramelius is looking forward to ramping up the drilling program across the tenement package to expand the existing resource and ultimately developing Lake Rebecca into a cornerstone producing asset within our portfolio. Our strategic target for the Project is to identify a pathway to a mine life of 10 years at a run rate of at least 100,000 ounces per annum.

“We also look forward to welcoming Apollo shareholders as Ramelius shareholders and encourage Apollo shareholders to accept the Offer as soon as possible.”

Apollo Managing Director, Nick Castleden, commented: “The Offer follows a period of significant corporate interest in Apollo and delivers an excellent result for our shareholders who, over the years, have seen Lake Rebecca transition from a greenfield exploration play to its status as a potential future stand-alone, long-life production asset. Ramelius brings excellent credentials in the business of taking new gold projects online and has ample experience, personnel, and funding to take the Project forward. Lake Rebecca is clearly an excellent fit for Ramelius’ >250,000oz/pa production profile, and the Ramelius shares that Apollo shareholders will receive offer the stability of a multi-project production house while maintaining exposure to the upside as Lake Rebecca progresses along the path to development.

“The Offer provides compelling value to shareholders with the circa 60% cash component providing value certainty plus equity in a proven and well respected West Australian gold miner. We look forward to joining Ramelius’ existing shareholders to participate in the next stages of the journey.”

Bid Implementation Agreement

Under a Bid Implementation Agreement dated 17 October 2021 (**BIA**), Ramelius and Apollo have given undertakings to each other to facilitate the Offer. The Offer is subject to a limited number of conditions as set out in the BIA including:

1. 90% minimum acceptance by Apollo Shareholders;
2. receipt of any regulatory approvals required;
3. no order, investigation or application is made which restrains, prohibits or impedes the Offer;
4. Apollo's tenements are maintained in their current form;
5. no material disposals, cancellation or new commitments by Apollo;
6. no material adverse change occurring; and
7. standard 'ordinary course of business' restrictions on the conduct of Apollo's business.

The BIA contains customary deal protection mechanisms including "no shop, no talk" and "no due diligence" restrictions, as well as notification and matching rights in the event of a competing proposal. A market-standard break fee may also be payable by Apollo to Ramelius in certain circumstances, as set out in the BIA.

A copy of the BIA will be separately released to the ASX shortly. The Offer will extend to all Apollo shares, including those issued as a result of the exercise of options during the Offer period. Separate offers are being made for certain options, on terms that are consistent with the Offer.

Timetable and Next Steps

Further details regarding the Offer will be contained in Ramelius' *Bidder's Statement* and Apollo *Target's Statement*, which are expected to be despatched to Apollo shareholders by 29 October 2021. The *Bidder's Statement* and *Target's Statement* will set out important information, including how to accept the Offer, information about Ramelius and the key reasons as to why Apollo shareholders should accept the Offer.

A toll-free information line will be opened soon to address any Apollo shareholder queries.

In addition, a joint conference call will be held to brief interested parties at 8:00am AWST / 10:00am AEST/ 11:00am AEDT on Monday 18th October 2021.

To listen in live, please click on the link below and register your details:

<https://s1.c-conf.com/diamondpass/10017445-mdg0ce.html>

Please note it is best to log on at least five minutes before the scheduled commencement time to ensure you are registered in time for the start of the call.

Investors are advised that a recording of the call will be available on the Company's website after the conclusion of the call.

Advisers

Ramelius has engaged Azure Capital as financial advisor and Allion Partners as legal advisor in relation to the transaction.

Apollo has engaged Deloitte Corporate Finance as financial advisor and Steinepreis Paganin as legal advisor to the transaction.

This joint ASX announcement was authorised for release by the Board of Directors of Ramelius Resources Limited and Apollo Consolidated Limited.

Ramelius Contacts

Investor enquiries:

Mark Zeptner

Managing Director
Ramelius Resources Ltd
Ph: +61 8 9202 1127

Tim Manners

Chief Financial Officer
Ramelius Resources Ltd
Ph: +61 8 9202 1127

Media enquiries:

Nick Howe

Senior Consultant
GRACosway
Ph: +61 407 183 221

Apollo Contacts

Investor enquiries:

Nick Castleden

Managing Director
Apollo Consolidated Ltd
Ph: +61 8 6368 1195

Media enquiries:

Michael Vaughan

Executive Director
Fivemark Partners
Ph: +61 422 602 720

About Apollo Consolidated Limited

Apollo Consolidated Ltd (ASX:AOP) is a gold exploration company based in Perth, with its exploration focus being in the Eastern Goldfield of Western Australia. Here, the Company holds the wholly owned, advanced gold project at Lake Rebecca, greenfield gold projects at Yindi and Larkin, as well the Louisa nickel-copper sulphide project located in the Kimberley.

Lake Rebecca is developing into an exciting new Goldfields discovery, with three main prospect areas, Rebecca, Duke and Duchess. Rebecca is the site of the high-grade Jennifer Lode discovery and adjoining mineralised surface, and the Apollo continues to explore this deposit and surrounding targets.

In February 2020, Apollo declared a combined 1.0 million ounce Mineral Resource at the Lake Rebecca Gold Project, across three deposits and wholly constrained within optimised pit shells. The flagship Rebecca deposit contributes 775,000 ounces, of which 550,000 ounces were at Indicated category. Subsequent to this and as announced on 20 April 2021, the Mineral Resource estimates were revised for the Rebecca, Duchess and Duke deposits following infill and step-out RC and diamond drilling completed in 2020. Total combined in-pit Mineral Resources now stands at 29.1 million tonnes at 1.2g/t Au for 1.1 million ounces of gold, 74% of which is at Indicated status.

About Ramelius Resources Limited

Ramelius Resources Limited (ASX:RMS) is a Western Australian gold producer that has been listed on the ASX since 2003 and in production since 2006.

Ramelius owns and operates the Mt Magnet, Edna May, Vivien, Marda, Tampia and Penny gold mines, all of which are located in Western Australia. Ore from the high-grade Vivien underground mine, located near Leinster, is hauled to the Mt Magnet processing plant where it is blended with ore from both underground and open pit sources at Mt Magnet. The Penny project is currently under development with first ore in late FY22.

The Edna May operation is currently processing high grade underground ore, low grade stockpiles, as well as ore from the satellite Marda open pit mines. Ore feed from the Tampia open pit mine commenced in early FY22.

Ramelius reported excellent financial and operational performance for Financial Year 2021. The Company reported Net Profit after Tax of A\$127M, the seventh consecutive annual profit, with a fully franked dividend of A\$0.025 per share paid to eligible shareholders. As at 30 June 2021, Ramelius had A\$234M in cash and gold, with no debt.

The financial performance was achieved on the back of production of 272,109 ounces of gold at an AISC of A\$1,317/oz for the year. Further to this, Ramelius has forecast to produce 260,000 - 300,000 ounces of gold at an AISC of A\$1,425 - \$1,525/oz for the 2022 Financial Year.

Ramelius Resources Limited	Apollo Consolidated Limited
<p>ISSUED CAPITAL Ordinary Shares: 815M</p> <p>DIRECTORS NON-EXECUTIVE CHAIR: Bob Vassie MANAGING DIRECTOR: Mark Zeptner NON-EXECUTIVE DIRECTORS: Michael Bohm David Southam Natalia Streltsova</p> <p>COMPANY SECRETARY: Richard Jones</p> <p>www.rameliusresources.com.au ramelius@rameliusresources.com.au</p> <p>Registered Office Level 1, 130 Royal Street East Perth, WA, 6004 Tel +61 8 9202 1127</p>	<p>ISSUED CAPITAL Ordinary Shares: 292M</p> <p>DIRECTORS NON-EXECUTIVE CHAIRMAN: Roger Steinepreis MANAGING DIRECTOR: Nick Castleden NON-EXECUTIVE DIRECTORS: Tony James Rob Gherghetta</p> <p>COMPANY SECRETARY: Alex Neuling</p> <p>www.apolloconsolidated.com.au info@apolloconsolidated.com.au</p> <p>Registered Office 1202 Hay Street West Perth, WA, 6005 Tel +61 8 6319 1900</p>

Note: The information relating to the Lake Rebecca Mineral Resources is extracted from various market releases issued by Apollo Consolidated Limited and referenced in this announcement. Apollo Consolidated Limited is not aware of any new information or data that materially affects the information included in those announcements referenced. Apollo Consolidated Limited confirms that all material assumptions and technical parameters underpinning the estimates in the relevant announcements continue to apply and the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.